

By: VanDeaver

H.B. No. 594

Substitute the following for H.B. No. 594:

By: Neave

C.S.H.B. No. 594

A BILL TO BE ENTITLED

AN ACT

relating to procedures for the dissolution of a county hospital authority.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter A, Chapter 264, Health and Safety Code, is amended by adding Section 264.004 to read as follows:

Sec. 264.004. DISSOLUTION. (a) The commissioners court of a county by order may dissolve an authority created by the commissioners court if the commissioners court and the authority provide for the sale or transfer of the authority's assets and liabilities to the county.

(b) The dissolution of an authority and the sale or transfer of the authority's assets and liabilities may not:

(1) violate a trust indenture or bond resolution relating to the outstanding bonds of the authority; or

(2) diminish or impair the rights of the holders of outstanding bonds, warrants, or other obligations of the authority.

(c) An order dissolving an authority takes effect on the 31st day after the date the commissioners court adopts the order.

(d) All records of the authority remaining when the authority is dissolved shall be transferred to the county clerk of the county in which the authority is located.

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as

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1 provided by Section 39, Article III, Texas Constitution. If this
2 Act does not receive the vote necessary for immediate effect, this
3 Act takes effect September 1, 2017.